

## **I-195 REDEVELOPMENT DISTRICT**

### **MEETING OF COMMISSION**

#### **PUBLIC SESSION**

**July 9, 2012**

The I-195 Redevelopment District (the "District") Commission met on Monday, July 9, 2012, in Public Session, beginning at 5:00 p.m., at the offices of the Rhode Island Economic Development Corporation, located at 315 Iron Horse Way, Suite 101, Providence, Rhode Island, pursuant to notice of the meeting to all Commissioners, and public notice of the meeting, a copy of which is attached hereto, as required by applicable Rhode Island law.

The following Commissioners were present and participated throughout the meeting as indicated: Chairperson Colin Kane, Ms. Barbara Hunger, Ms. Diana Johnson, Mr. John Kelly, Mr. Mark Ryan, Mr. Michael Van Leesten, Dr. Barrett Bready, Mr. William Parsons and Mr. James Bennett (ex officio).

Members Absent: None

Also present was: Mr. Robert I. Stolzman, who acted as Assistant Secretary and Michael Walker, as staff assigned by the Rhode Island Economic Development Corporation.

Chairperson Kane called the meeting to order at 5:00 p.m.

#### **1. APPROVAL OF THE PUBLIC AND CLOSED SESSION MINUTES OF THE MEETING HELD ON JUNE 25, 2012**

Upon motion duly made by Ms. Diana Johnson and seconded by Mr. John Kelly, the following vote was adopted:

**VOTED:** To approve the Public Session Minutes of the meeting held on June 25, 2012, as submitted to the Commission, subject to corrections made by Mr. John Kelly.

Voting in favor of the foregoing were: Chairperson Kane, Ms. Hunger, Ms. Johnson, Mr. Kelly, Mr. Ryan, Mr. Van Leesten, Dr. Bready and Mr. Parsons.

Voting against the foregoing were: None.

## **2. UPDATE ON THE EXECUTIVE DIRECTOR SELECTION PROCESS**

Dr. Bready reported that he and others had begun to talk to search firms regarding the Executive Director position. Ms. Hunger recommended that the Commission consider several local search firm candidates. Chairperson Kane stated that the intention is to narrow down the list of potential search firms to no more than three or four by the second or third week of August. The selected search firms will be interviewed and a recommendation to the Commission is expected in September. Ms. Johnson asked whether or not the rate of compensation with the potential firms had been discussed. Dr. Bready stated that the industry standard is to pay the search firms one-third of the first year salary. Dr. Bready noted that the compensation could be negotiated and that it should not be the only determining factor in selecting a firm.

## **3. UPDATE REGARDING THE BOND FINANCING.**

Chairperson Kane reported that on June 25<sup>th</sup>, the Rhode Island Economic Development Corporation (“the “EDC”) approved a bond resolution authorizing the issuance of bonds in the maximum principal amount of \$42 million. Chairperson Kane requested that Maureen Gurghigian from FirstSouthwest, the EDC’s financial advisor, provide an update on the bond financing. Ms. Gurghigian distributed an outline of the bond issuance (See **Exhibit A**). She reported that State appropriation bonds to be issued by the EDC were approved by the General Assembly up to \$42 million. She stated that the bonds will be secured by state appropriations and a payment agreement with the State. Ms. Gurghigian noted that the I-95 land is not security for the bonds. The bond proceeds may be used as set forth in the Commissions enabling legislation. Ms. Gurghigian explained the structure of the bonds and noted that the debt will be issued interest only for up to five years amortizing the principal balance due over 15 additional years for a maximum 20 year term. Ms. Gurghigian explained that this is a private placement as opposed to a public offering, in part because public offerings cannot be refinanced. The bond closing currently is scheduled for September of this year. Chairperson Kane noted that when parcels are sold by the Commission, the net proceeds, as will be defined in the bond documents, will go to the bond holders to pay the debt. He stated that the Commission should ensure that the Trust Indenture should permit the payment of debt upon the sale of the parcels as the State is paying the debt service. The Commission discussed that the Commission is also working on the transfer mechanics necessary for the Commission to take title to the parcels. Upon inquiry from the Commission, Mr. Stolzman stated that he will generate term sheets for the bonds and the land transfer from RIDOT for the Commission’s approval.

## **4. DISCUSSION AND CONSIDERATION OF THE DISTRICT GUIDELINE GENERATION SCOPE OF WORK.**

Chairperson Kane reported that over the last several weeks he and other Commissioners met with members of the engineering team at Fuss & O’Neill to discuss an implementation plan of planning and disposition guidelines in connection with the

development of the parcels. He stated that the guidelines should reflect a vision of how the Commission envisions that the parcels will be laid out, absorbed and developed.

Chairperson Kane requested that Robert I. Stolzman provide a draft of the proposed disposition guidelines. Mr. Stolzman reviewed a draft of disposition guidelines (See **Exhibit B**). Mr. Stolzman explained that this draft is a broad topical outline identifying certain criteria to consider when preparing for the planning and disposition of the parcels. He stated that factors other than just compensation should be considered such as economic development, job creation, community impact, execution risk, public betterments, design criteria and public safety. Mr. Kelly inquired as to how this outline could be made more “robust” and the Commission discussed methods of further developing its disposition criteria.

Chairperson Kane then distributed a proposal from Fuss & O’Neill (See **Exhibit C**) for urban design and planning services. A discussion ensued among the Commissioners as to the need for planning services and aligning this work with the original Fuss & O’Neill scope of work and services already provided by Fuss & O’Neill under their current contract. Ms. Johnson asked if the Commission could have a work session to determine the highest and best uses for each parcel and what certain development issues might be for some of the parcels. Mr. Kelly suggested that the Commission review Fuss & O’Neill’s current contract and determine if additional work is necessary. Mr. Ryan expressed concern over the sequencing of work.

The Commission discussed the need for master planning, how a master plan is implemented and what components might be included. Chairperson Kane stated that the Commission will schedule certain dates to discuss the master plan and to determine a mechanism by which the Commission can advance its work on the proposed guidelines and Fuss & O’Neill’s deliverables.

## **5. UPDATE CONCERNING THE COMMUNICATION PLAN**

Chairperson Kane reported that the Commission is working with the Rhode Island Department of Transportation (“RIDOT”), the RIEDC, and the City of Providence (the “City”) to develop a communication plan to articulate the current activity of the Commission and plans for the near future. Chairperson Kane noted a significant milestone of the Commission’s first anniversary will be October 4<sup>th</sup>. Mr. Kelly suggested that the Commission should announce a maintenance plan schedule. Ms. Johnson suggested that the Commission create a list potential milestones which would include the maintenance plan. Mr. Van Leesten expressed concern about managing public expectations. Mr. Van Leesten noted that during the meetings with RIDOT and the City, Judy Chong, of the RIEDC, outlined a variety of milestones between now and until the October 4<sup>th</sup>. Mr. Van Leesten suggested that Ms. Chong give the Commission a fifteen minute update on the milestones at a future meeting.

**6. UPDATE CONCERNING BUDGET FOR THE DISTRICT**

Chairperson Kane reported that the Commission has not spent the entire scope of funds allocated for Fuss & O'Neill. He noted that, to date, the Commission has only spent money on Fuss & O'Neill and directors and officers liability insurance. Chairperson Kane recommended that, at the next meeting, a budget versus actual report be made including line items. He further stated that the funds for fiscal year 2012 have not yet been received.

**7 DISCUSSION AND CONSIDERATION OF THE IDENTIFICATION OF BEST PRACTICES FOR DEVELOPMENT.**

Chairperson Kane reported that the Commission will continue to explore the best practices that other cities that have undertaken in similar planning and development activities. He stated that he is developing an interim development matrix to assist the Commission in determining what they want to know from other cities. Chairperson Kane reported that a draft of potential candidates of other cities will be available for review by the Commissioners.

**8. FOR DISCUSSION AND VOTE ON A RESOLUTION FROM THE COMMISSION AUTHORIZING THE RHODE ISLAND DEPARTMENT OF TRANSPORTATION TO TRANSFER 2,345 SQUARE FEET VACANT LAND TO BROWN UNIVERSITY ADJACENT TO PROPERTY AT 198 DYER STREET AND THE PROPOSED PECK STREET INTERSECTION.**

Chairperson Kane explained that RIDOT requested approval to transfer a 2,350 square foot parcel of vacant land located between the current and relocated Peck Street to Brown University. The Commission expressed questions regarding the value and timing of this transaction. Chairperson Kane suggested that the Commission defer the vote and authorize Robert I. Stolzman to contact RIDOT's legal counsel for further information. The matter was continued.

**9. CHAIRPERSON'S REPORT AND COMMISSION UPDATE.**

Chairperson Kane reported that representatives from Fuss & O'Neill continue to work with the Department of Environmental Management and the Coastal Resources Management Counsel regarding global permitting and the testing of the parcels. He also stated that Ms. Johnson and other members of the working group will provide an update on open space issues at the July 30<sup>th</sup> meeting.

**10. ESTABLISHING AN AGENDA FOR THE NEXT COMMISSION MEETING.**

The Commission discussed items to be addressed at the District's upcoming meetings on July 30 and August 20.

There being no further business in Public Session, upon a motion by Mr. Van Leesten and seconded by Mr. Kelly the meeting was adjourned at 6:45 p.m.

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Robert I. Stolzman, Assistant Secretary

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